VZCZCXRO1486 PP RUEHLMC DE RUEHLP #2698 2782136 ZNY CCCCC ZZH P 052136Z OCT 06 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 0794 INFO RUEHAC/AMEMBASSY ASUNCION 6159 RUEHBO/AMEMBASSY BOGOTA 3473 RUEHBR/AMEMBASSY BRASILIA 7333 RUEHBU/AMEMBASSY BUENOS AIRES 4596 RUEHCV/AMEMBASSY CARACAS 1850 RUEHPE/AMEMBASSY LIMA 1890 RUEHMD/AMEMBASSY MADRID 3146 RUEHMN/AMEMBASSY MONTEVIDEO 4060 RUEHQT/AMEMBASSY QUITO 4486 RUEHSG/AMEMBASSY SANTIAGO 9060 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHEHNSC/NSC WASHINGTON DC

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E.O. 12958: DECL: 10/05/2016 TAGS: ECON PGOV PREL BL

TAGS: ECON PGOV PREL BL SUBJECT: DEADLY MINER CLASH IN ORURO

Classified By: Amb. Philip S. Goldberg for reasons 1.4 (b) and (d).

- 11. (U) On October 5, armed clashes broke out in the mining town of Huanuni, in the Department of Oruro; they are continuing now. Firefights erupted after independent miners overran the state owned Posokoni mine, demanding jobs that they alleged had been promised to them. The independent miners are fighting with miners from the state-owned company "COMIBOL". There are reports of eight dead and between 25 and 60 wounded, including policemen. Both groups of miners are reported to be using dynamite and firearms. The town church, hospital, and radio station have all reportedly sustained damage.
- 12. (U) President Morales postponed Ambassador Goldberg's accreditation ceremony, scheduled for October 5, reportedly in order to deal with the developing crisis. The government has dispatched a commission composed of the minister of government, minister of defense, and the national ombudsman to mediate the conflict. Both groups have threatened not to permit the commission into Huanuni. Both sides have also accused Walter Villarroel, Minister of Mining, of causing the crisis and of gross negligence. The independent miners are calling for reinforcements from Potosi and are threatening a nationwide strike if the situation is not immediately resolved.
- 13. (C) COMMENT: The timing of this violent and tragic crisis, on the heels of the September 29 cocalero ambush of government forces in Carrasco National Park, falls at a difficult time for President Morales, who is already struggling to assert control of the Constituent Assembly. Civilian deaths, especially those resulting from clashes with security forces, precipitated the fall of the Sanchez de Lozada and Mesa governments. We judge it likely that Mining Minister Walter Villareal will be the first political victim, as he is being blamed by all sides for his mismanagement of the situation to date. Ambassador Goldberg,s credentialing ceremony has been tentatively rescheduled for Tuesday, October 10. END COMMENT.

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